REMARKS

Claims 1-25 are pending. Claims 1-15 were allowed. Claims 17-25 were objected to but would be allowable if rewritten to incorporate elements of claim 16. Claim 16 was rejected under 35 U.S.C. 103(1) as being unpatentable over Kidder (U.S. 5,898,833) in view of Kaye (U.S. 6,259,733) and Quay (U.S. 6,205,151). The Applicants gratefully acknowledge the allowance of claims 1-15. The Applicants also gratefully acknowledge the allowability of claims 17-25 if rewritten to incorporate elements of base and intervening claims.

The Examiner noted that the limitations in claim 17 are absent from the art. More specifically, the art does not teach or suggest the limitation "determining whether the sum of the bit rates for multiple channels is greater than the channel capacity, if the sum of bit rates is greater than channel capacity then selecting a channel, determining whether the selected channel has a bit rate greater than the minimum bit rate for the channel and reducing the bit rate for the channel if it is determined that the selected channel is greater than the minimum bit rate for the channel." Applicants gratefully acknowledge the Examiner's statement.

Applicants believe that claim 17 rewritten in independent form even without all of the limitations of the base claim 16 is patentable. Kidder, Kaye, and Quay all fail to teach or suggest the elements recited in claim 17. Claim 16 now recites "determining whether the sum of the bits rates for the plurality of channels is greater than a channel capacity; and if the sum of the bits rates for the plurality of channels is greater than the channel capacity then determining whether a selected channel has a bit rate greater than the minimum bit rate for the selected channel and reducing the bit rate for the selected channel if it is determined that the selected channel has a bit rate greater than the minimum bit rate for the channel."

Claim 17 now recites "determining whether a sum of the bits rates for the plurality of channels is equal to the channel capacity; and if the sum of the bits rates for the plurality of channels is equal to the channel capacity, scheduling data for the plurality of channels for transmission and transmitting data for the plurality of channels."

Applicants believe that all pending claims are allowable and respectfully request a Notice of Allowance for this application from the Examiner. Should the Examiner believe that a

telephone conference would expedite the prosecution of this application, the undersigned can be reached at the telephone number set out below.

Respectfully submitted,

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